

TEHAMA COUNTY ECONOMIC FORECAST

The Tehama County economy is growing rapidly. In 2017 it generated 600 new jobs, representing a growth rate of 3.3 percent. By comparison, the entire statewide economy created jobs at a rate of 2.0 percent. The best performing industries in Tehama County were agriculture, leisure services, transportation and warehousing, and healthcare.

The Tehama County economy is highly concentrated in a few primary industries. One of its largest sectors is government, which employs 4,100 workers and accounts for a fifth of the entire job market. Approximately half of these individuals work in public schools, while most of the rest work in local municipal agencies. A small number work in federal and state offices located within Tehama County.

The Tehama County economy is also heavily reliant on the healthcare sector. Healthcare agencies employ approximately 2,500 workers, many of which are located near the City of Red Bluff.

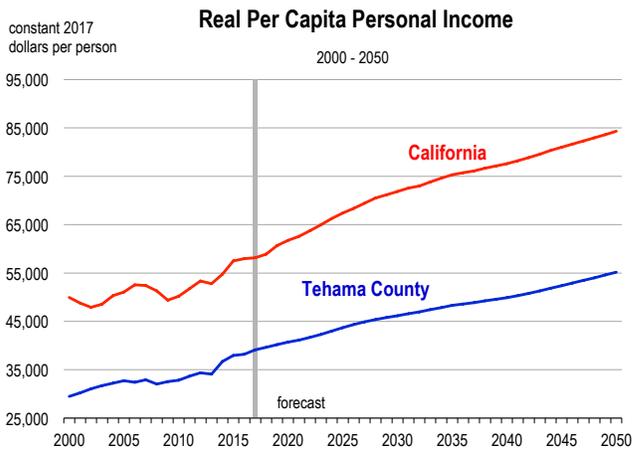
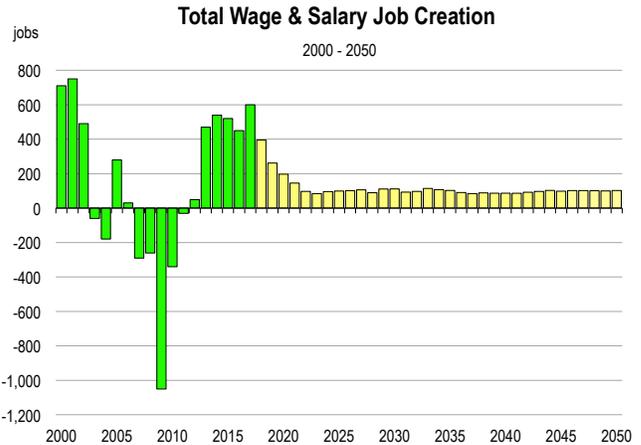
Other major sectors are retail, manufacturing, and agriculture. Combined, these industries employed 5,800 workers in 2017.

The unemployment rate improved last year, falling from 7.1 percent in 2016 to 6.4 percent in 2017. The county has now reached a “full employment” scenario, meaning that almost everyone who wants a job already has a job. Under these conditions, job creation is expected to slow and further improvements in the unemployment rate will be minimal.

From 2012 to 2017, the Tehama County population grew very slowly, increasing by only 0.2 percent per year. All of this growth was driven by the natural increase (new births). Net migration was flat, with an equal number of people moving into the county as moving out, but the natural increase added 195 residents to the county each year.

FORECAST HIGHLIGHTS

- Job growth of 2.1 percent is expected in 2018. Between 2018 and 2023, the annual growth rate will average 0.8 percent.
- Between 2018 and 2023, job creation will be concentrated in education and healthcare, transportation and utilities, and government. Combined, these industries will account for 65 percent of net job creation through 2023.

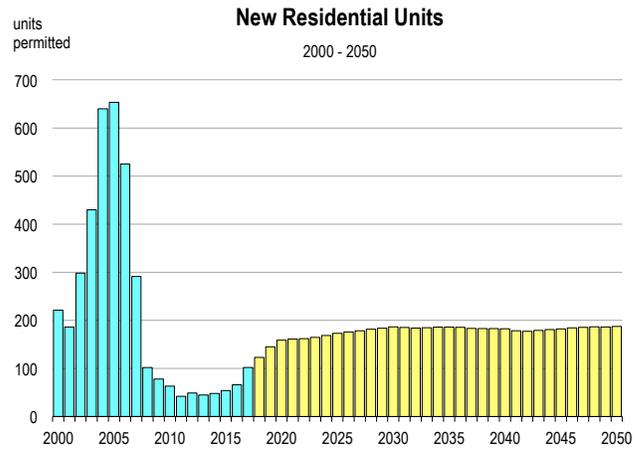
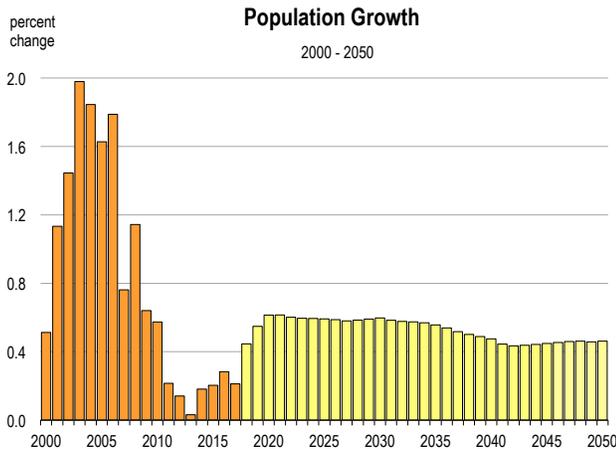


- Average salaries are below the California average, and will remain so over the foreseeable future. In Tehama County, inflation-adjusted salaries are expected to rise by 1.2 percent per year from 2018 to 2023, which will be slower than statewide growth.
- An average of 160 new homes will be built each year between 2018 and 2023. Virtually all of these will be single-family homes, and very few will be apartments.
- Population growth is expected to average 0.6 percent per year from 2018 to 2023. An average of 125 net migrants will enter the county each year, and the natural increase (new births) will add 265 residents each year.

Tehama County Economic Forecast

2010-2017 History, 2018-2050 Forecast

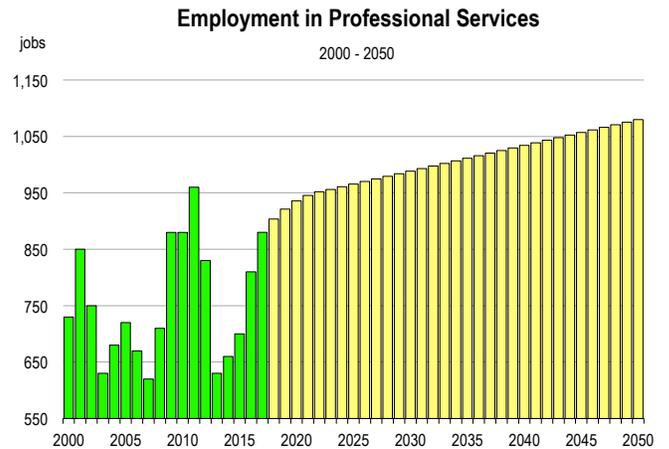
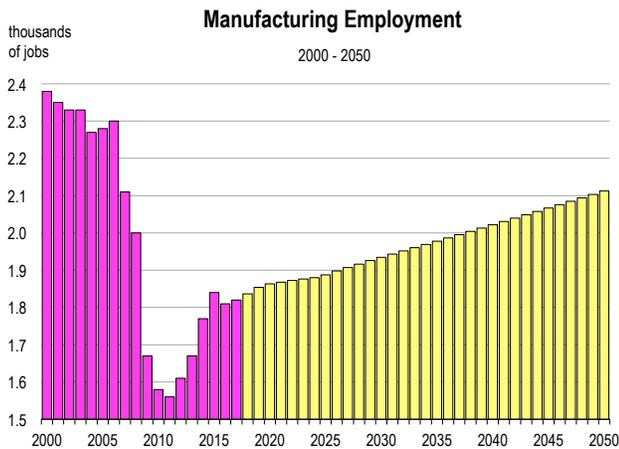
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	63,484	93	68.7	23.8	63	\$0.59	\$1.80	\$32,836	1.3	263.7	610.2	15.4
2011	63,621	21	68.2	23.8	42	\$0.69	\$1.90	\$33,680	2.7	277.2	618.2	15.0
2012	63,711	0	67.3	23.8	49	\$0.75	\$1.98	\$34,384	2.7	327.8	629.9	13.8
2013	63,731	0	69.5	23.8	45	\$0.80	\$2.00	\$34,087	2.3	328.8	681.2	11.6
2014	63,847	0	73.3	23.8	48	\$0.78	\$2.19	\$36,712	2.8	395.2	713.0	9.6
2015	63,977	0	73.7	23.9	54	\$0.78	\$2.31	\$37,958	2.6	334.7	703.1	7.9
2016	64,158	0	75.3	23.9	66	\$0.79	\$2.38	\$38,183	3.1	345.8	705.3	7.1
2017	64,294	0	74.4	24.0	102	\$0.81	\$2.51	\$39,102	3.2	349.4	747.9	6.4
2018	64,581	43	74.7	24.1	123	\$0.86	\$2.65	\$39,635	3.7	350.1	777.2	5.9
2019	64,935	104	75.2	24.3	145	\$0.91	\$2.76	\$40,173	3.1	351.1	779.8	5.6
2020	65,334	140	75.6	24.4	159	\$0.96	\$2.91	\$40,702	4.1	352.1	797.3	5.8
2021	65,735	135	76.1	24.5	161	\$1.01	\$3.04	\$41,136	3.6	353.1	818.7	6.0
2022	66,131	124	76.6	24.7	162	\$1.05	\$3.19	\$41,691	3.5	354.2	839.7	6.2
2023	66,525	122	77.1	24.8	165	\$1.10	\$3.34	\$42,298	3.4	355.3	861.5	6.3
2024	66,920	122	77.6	25.0	169	\$1.16	\$3.50	\$43,014	3.3	356.3	882.6	6.4
2025	67,316	121	78.0	25.2	173	\$1.21	\$3.66	\$43,715	3.1	357.4	902.7	6.5
2026	67,712	118	78.5	25.3	176	\$1.27	\$3.82	\$44,331	3.1	358.6	924.3	6.6
2027	68,104	114	79.0	25.5	178	\$1.32	\$3.97	\$44,883	3.0	359.7	946.8	6.6
2028	68,503	116	79.5	25.7	182	\$1.37	\$4.13	\$45,356	3.3	360.9	971.4	6.6
2029	68,907	117	80.0	25.8	184	\$1.42	\$4.29	\$45,774	3.1	362.1	995.7	6.5
2030	69,319	120	80.5	26.0	187	\$1.47	\$4.45	\$46,179	3.0	363.3	1,020.4	6.5
2031	69,724	111	80.9	26.2	185	\$1.52	\$4.61	\$46,593	2.9	364.6	1,045.6	6.5
2032	70,126	106	81.4	26.3	184	\$1.57	\$4.78	\$46,946	3.1	365.8	1,071.5	6.5
2033	70,529	105	81.9	26.5	185	\$1.63	\$4.94	\$47,425	2.7	367.1	1,098.1	6.4
2034	70,930	104	82.4	26.7	186	\$1.68	\$5.12	\$47,864	2.9	368.5	1,125.3	6.4
2035	71,325	101	82.9	26.9	186	\$1.74	\$5.31	\$48,291	3.0	369.8	1,153.3	6.4
2036	71,710	97	83.3	27.0	186	\$1.80	\$5.52	\$48,601	3.4	371.2	1,181.9	6.3
2037	72,081	88	83.8	27.2	183	\$1.86	\$5.73	\$48,889	3.5	372.6	1,211.2	6.3
2038	72,442	85	84.2	27.4	183	\$1.92	\$5.94	\$49,244	3.3	374.1	1,241.4	6.3
2039	72,796	81	84.7	27.5	183	\$1.98	\$6.17	\$49,557	3.5	375.5	1,272.3	6.3
2040	73,142	78	85.1	27.7	182	\$2.04	\$6.41	\$49,901	3.4	377.1	1,304.0	6.2
2041	73,467	60	85.5	27.9	178	\$2.11	\$6.65	\$50,316	3.2	378.6	1,336.5	6.2
2042	73,786	52	85.9	28.1	177	\$2.17	\$6.89	\$50,777	3.1	380.2	1,369.8	6.2
2043	74,109	54	86.2	28.2	179	\$2.24	\$7.14	\$51,278	3.0	381.8	1,404.0	6.1
2044	74,437	56	86.6	28.4	181	\$2.31	\$7.40	\$51,851	2.8	383.4	1,439.1	6.1
2045	74,771	58	87.0	28.6	182	\$2.38	\$7.67	\$52,365	3.0	385.1	1,475.1	6.1
2046	75,110	64	87.5	28.7	184	\$2.46	\$7.95	\$52,913	2.9	386.8	1,512.0	6.0
2047	75,455	65	87.9	28.9	185	\$2.53	\$8.24	\$53,465	2.9	388.5	1,549.9	6.0
2048	75,804	66	88.3	29.1	187	\$2.61	\$8.54	\$54,022	2.9	390.3	1,588.7	6.0
2049	76,150	61	88.7	29.2	186	\$2.69	\$8.85	\$54,592	2.9	392.1	1,628.7	5.9
2050	76,502	62	89.1	29.4	187	\$2.77	\$9.18	\$55,176	2.9	394.0	1,669.5	5.9

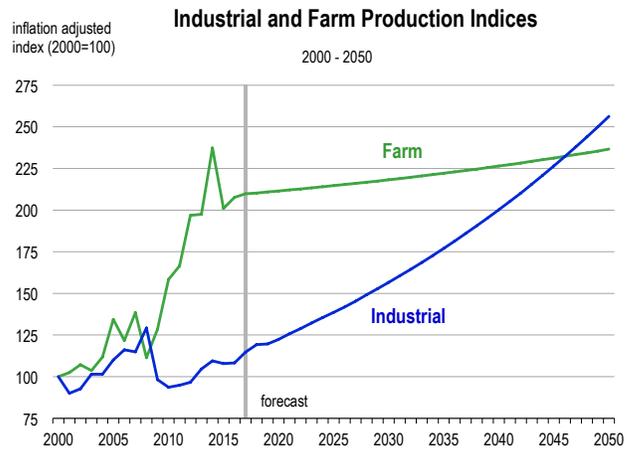
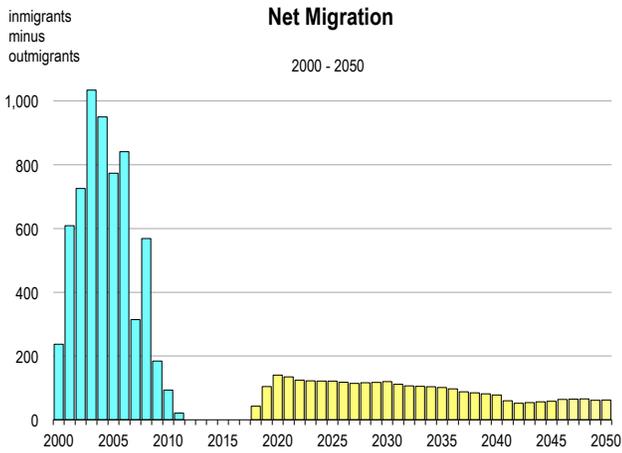
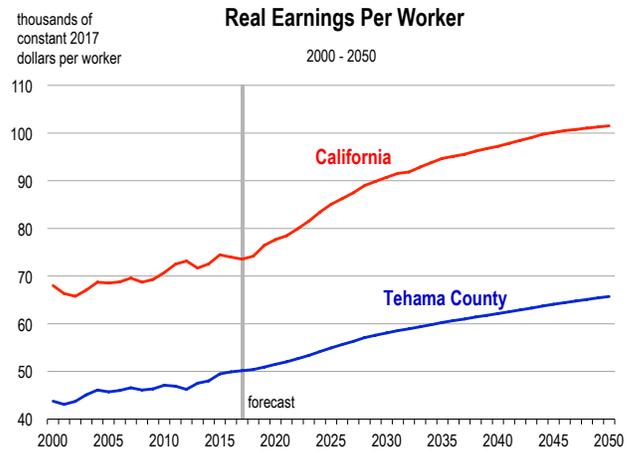
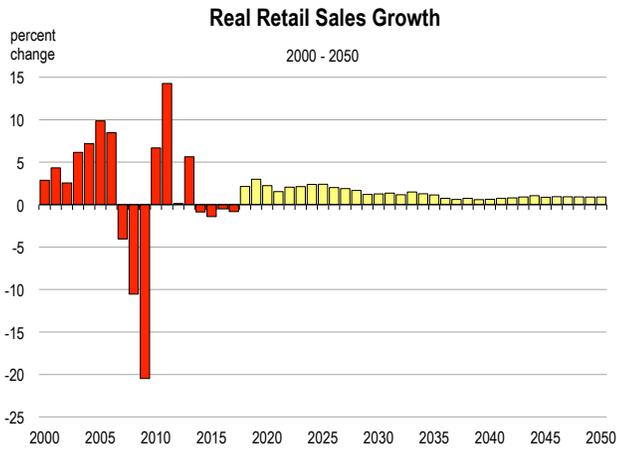


Tehama County Employment Forecast

2010-2017 History, 2018-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2010	16.08	1.44	0.42	1.58	1.10	2.09	0.36	0.88	0.07	2.38	1.12	4.16
2011	16.05	1.45	0.42	1.56	1.08	2.06	0.34	0.96	0.07	2.35	1.18	4.09
2012	16.10	1.45	0.43	1.61	1.13	2.04	0.36	0.83	0.08	2.38	1.23	4.08
2013	16.57	1.43	0.53	1.67	1.36	2.08	0.35	0.63	0.07	2.77	1.26	3.94
2014	17.11	1.47	0.56	1.77	1.44	2.13	0.34	0.66	0.06	2.86	1.30	4.01
2015	17.63	1.75	0.55	1.84	1.50	2.17	0.33	0.70	0.06	2.86	1.36	4.03
2016	18.08	1.83	0.56	1.81	1.57	2.35	0.36	0.81	0.08	2.83	1.34	4.07
2017	18.68	1.94	0.60	1.82	1.68	2.33	0.36	0.88	0.11	2.95	1.42	4.14
2018	19.08	1.96	0.63	1.84	1.76	2.36	0.37	0.90	0.11	3.04	1.45	4.20
2019	19.34	1.98	0.64	1.85	1.80	2.39	0.38	0.92	0.11	3.10	1.46	4.24
2020	19.53	2.00	0.65	1.86	1.83	2.41	0.38	0.94	0.11	3.14	1.47	4.30
2021	19.68	2.01	0.65	1.87	1.85	2.42	0.38	0.95	0.11	3.16	1.46	4.36
2022	19.78	2.02	0.64	1.87	1.87	2.44	0.37	0.95	0.11	3.20	1.47	4.38
2023	19.86	2.01	0.64	1.88	1.88	2.46	0.37	0.96	0.11	3.23	1.47	4.40
2024	19.96	2.00	0.65	1.88	1.89	2.48	0.37	0.96	0.11	3.27	1.47	4.43
2025	20.06	1.99	0.64	1.89	1.90	2.50	0.37	0.97	0.11	3.30	1.47	4.46
2026	20.16	1.98	0.64	1.90	1.91	2.52	0.37	0.97	0.11	3.33	1.47	4.50
2027	20.26	1.97	0.64	1.91	1.92	2.54	0.37	0.97	0.10	3.36	1.47	4.54
2028	20.35	1.96	0.63	1.92	1.92	2.55	0.37	0.98	0.10	3.39	1.47	4.57
2029	20.46	1.97	0.63	1.93	1.93	2.57	0.37	0.98	0.10	3.42	1.48	4.61
2030	20.57	1.97	0.64	1.93	1.94	2.58	0.37	0.99	0.10	3.45	1.48	4.65
2031	20.67	1.96	0.64	1.94	1.95	2.59	0.37	0.99	0.10	3.48	1.48	4.68
2032	20.76	1.96	0.63	1.95	1.96	2.60	0.37	1.00	0.10	3.51	1.48	4.72
2033	20.88	1.96	0.63	1.96	1.97	2.62	0.37	1.00	0.10	3.54	1.48	4.76
2034	20.99	1.96	0.64	1.97	1.98	2.63	0.37	1.01	0.10	3.57	1.48	4.80
2035	21.09	1.97	0.64	1.98	1.99	2.64	0.37	1.01	0.10	3.60	1.48	4.83
2036	21.18	1.97	0.64	1.99	2.00	2.65	0.37	1.02	0.10	3.64	1.48	4.86
2037	21.26	1.97	0.63	2.00	2.01	2.65	0.37	1.02	0.10	3.67	1.48	4.88
2038	21.35	1.97	0.63	2.00	2.02	2.66	0.37	1.02	0.10	3.70	1.47	4.91
2039	21.44	1.97	0.63	2.01	2.03	2.67	0.37	1.03	0.10	3.73	1.47	4.93
2040	21.52	1.97	0.63	2.02	2.04	2.68	0.37	1.03	0.10	3.76	1.47	4.96
2041	21.61	1.98	0.63	2.03	2.04	2.68	0.37	1.04	0.10	3.79	1.47	4.98
2042	21.70	1.98	0.63	2.04	2.05	2.69	0.37	1.04	0.10	3.82	1.47	5.01
2043	21.80	1.98	0.63	2.05	2.06	2.70	0.37	1.05	0.10	3.85	1.47	5.04
2044	21.90	1.98	0.63	2.06	2.07	2.71	0.37	1.05	0.10	3.88	1.47	5.08
2045	22.00	1.98	0.63	2.07	2.08	2.72	0.37	1.06	0.10	3.91	1.47	5.11
2046	22.10	1.99	0.64	2.08	2.09	2.73	0.37	1.06	0.10	3.94	1.47	5.14
2047	22.20	1.99	0.64	2.08	2.10	2.74	0.37	1.07	0.10	3.97	1.47	5.17
2048	22.31	1.99	0.64	2.09	2.11	2.75	0.37	1.07	0.10	4.00	1.47	5.21
2049	22.41	1.99	0.64	2.10	2.11	2.76	0.37	1.08	0.10	4.03	1.47	5.24
2050	22.51	2.00	0.64	2.11	2.12	2.77	0.38	1.08	0.10	4.07	1.47	5.27





County Economic and Demographic Indicators

Projected Economic Growth (2018-2023)

Expected retail sales growth:	11.4%
Expected job growth:	4.1%
Fastest growing jobs sector:	Transportation & Utilities
Expected personal income growth:	9.9%

Expected population growth:	3.0%
Net migration to account for:	32.2%
Expected growth in number of vehicles:	3.1%

Demographics (2018)

Unemployment rate (April 2018):	5.5%
County rank* in California (58 counties):	38th
Working age (16-64) population:	60.0%

Population with B.A. degree or higher:	14.4%
Median home selling price (2017):	\$186,500
Median household income:	\$45,893

Quality of Life

Violent crime rate (2016):	552 per 100,000 persons
County rank* in California (58 counties):	45th
Average commute time to work (2018):	26 minutes

High school drop out rate (2017):	4.5%
Households at/below poverty line (2018):	13.9%

* The county ranked 1st corresponds to the lowest rate in California